



**COMMUNITY DEVELOPMENT COMMISSION
of the County of Los Angeles**

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Carlos Jackson
Executive Director

March 14, 2006

Honorable Board of Commissioners
Community Development Commission
County of Los Angeles
383 Kenneth Hahn Hall of Administration
500 West Temple Street
Los Angeles, California 90012

Dear Commissioners:

**ADOPT OWNER PARTICIPATION RULES FOR THE WHITESIDE
REDEVELOPMENT PROJECT AREA (1)
(3 Vote)**

IT IS RECOMMENDED THAT YOUR BOARD:

Adopt the attached Rules Governing Participation by Property Owners and the Extension of Reasonable Preferences to Business Occupants in the Whiteside Redevelopment Project Area (Owner Participation Rules), which provides for participation in the redevelopment of property in the Whiteside Redevelopment Project Area (Project Area) by the owners of such property.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION:

The Commission is currently in the process of adopting a Redevelopment Plan for the Whiteside community. California Community Redevelopment Law (CRL) section 33339 requires that all redevelopment projects provide opportunities for owners of properties in the Project Area to participate in the redevelopment of the Project Area. In addition, CRL 33339.5 requires that all redevelopment projects provide re-entry preferences for any business that may possibly be displaced by redevelopment activity.

The attached Owner Participation Rules satisfy the above requirements and help to ensure that local property and business owners are given an opportunity to participate in the redevelopment of the Whiteside community.

FISCAL IMPACT/FINANCING:

There is no fiscal impact associated with this action.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS:

The Whiteside community, identified in the attached Project Area Map, comprises approximately 171 acres in unincorporated Los Angeles County and is characterized by a mix of industrial and residential land uses.

On February 15, 2005, the Board of Supervisors adopted a resolution designating Whiteside as a redevelopment survey area and stated that further study was required to determine if a redevelopment project was feasible for the area.

On March 2, 2005, the Regional Planning Commission adopted a Preliminary Redevelopment Plan for Whiteside.

On March 29, 2005, your Board accepted the Preliminary Redevelopment Plan for Whiteside and authorized preparation of the Preliminary Report, which states the reasons for selecting the Project Area and documents the blighting conditions that qualify the Project Area for selection as a redevelopment project.

On November 1, 2005, your Board adopted resolutions approving the Preliminary Report and accepting a proposed Redevelopment Plan for Whiteside, which identifies redevelopment goals and objectives, a description of land uses in the Project Area, and a discussion of redevelopment methods that are to be used to achieve the objectives of the Redevelopment Plan.

As part of the continuing effort to establish the Whiteside Redevelopment Project Area, the Commission is required to establish rules that provide opportunities for property owners to participate in the redevelopment of their properties.

These Owner Participation Rules will ensure that property owners will have the right to submit redevelopment proposals for their own properties. Furthermore, the Owner Participation Rules require that the Commission contact the owner of any property that may be acquired as part of a redevelopment project and invite the owner to submit a development proposal prior to the Commission acquiring the property or entering into a development agreement with an outside party.

The Owner Participation Rules also provide that any businesses that are forced to relocate due to redevelopment activity be given preference in relocating within the Project Area. Under the Owner Participation Rules, any development agreement entered into between the Commission and a private developer shall contain a provision

that will give preferences in the leasing of premises rehabilitated or developed to displaced businesses.

ENVIRONMENTAL DOCUMENTATION:

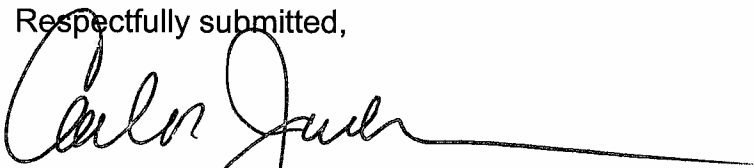
Adoption of Owner Participation Rules for the Project Area is exempt from the provisions of the National Environmental Policy Act pursuant to 24 Code of Federal Regulations Part 58, Section 58.34 (a)(3) because it involves administrative activities that will not have a physical impact on or result in any physical changes to the environment. The action is also exempt from the provisions of the California Environmental Quality Act (CEQA) pursuant to the State CEQA Guidelines 15060(c)(3) and 15378 because it is not defined as a project under CEQA and does not have the potential for causing a significant effect on the environment.

Prior to Board approval of the final Redevelopment Plan, an Environmental Impact Report (EIR) will be prepared and circulated for public review pursuant to CEQA. The Board will review the final EIR and other environmental documentation prior to the consideration of the final Redevelopment Plan.

IMPACT ON CURRENT PROGRAM:

Adoption of the attached Owner Participation Rules will allow the County and the Commission to proceed toward the adoption of a Redevelopment Plan for the Whiteside Community.

Respectfully submitted,

A handwritten signature in black ink, appearing to read 'Carlos Jackson', with a long horizontal line extending to the right.

CARLOS JACKSON
Executive Director

Attachments: 2

**RULES GOVERNING PARTICIPATION BY PROPERTY OWNERS
AND
THE EXTENSION OF REASONABLE PREFERENCES
TO BUSINESS OCCUPANTS
IN THE
WHITESIDE REDEVELOPMENT PROJECT AREA**

**Adopted by:
Community Development Commission
of the
County of Los Angeles**

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**RULES GOVERNING PARTICIPATION BY PROPERTY OWNERS AND THE EXTENSION OF
REASONABLE PREFERENCES TO BUSINESS OCCUPANTS IN THE
WHITESIDE REDEVELOPMENT PROJECT AREA**

I. [SECTION 100] PURPOSE AND INTENT

These rules are adopted by the Community Development Commission of the County of Los Angeles ("Commission") to implement the provisions of the Redevelopment Plan for the Whiteside Redevelopment Project ("Project" or "Project Area") regarding participation by property owners and the extension of reasonable preferences to business occupants within the Project Area. These rules set forth the procedures governing such participation and preferences.

The California Community Redevelopment Law, Health and Safety Code Section 33000 *et seq.*, ("CRL") requires the adoption of these rules by the Commission to provide for participation in the redevelopment of the Project Area by owners of real property and the extension of preferences to persons engaged in business within the boundaries of the Project Area to reenter the redeveloped area to the maximum extent feasible consistent with the objectives of the Redevelopment Plan for the Project.

II. [SECTION 200] DEFINITIONS

As used herein, the following definitions apply:

- (1) "Business Occupant" means any person, persons, corporation, association, partnership, or other entity engaged in a lawful business within the Project Area for so long as such Business Occupant remains in business within the Project Area.
- (2) "Commission" means the Community Development Commission of the County of Los Angeles.
- (3) "Long-Term Lease" means a lease of real property with a term of twenty (20) years or more, with at least five (5) years remaining on such term.
- (4) "Owner" means any person, persons, corporation, association, partnership, or other entity holding fee title to or a long-term lease of real property in the Project Area for so long as such Owner holds such fee title or long-term lease.
- (5) "Participant" means an Owner who has entered into a Participation Agreement with the Commission.
- (6) "Participation Agreement" means an agreement entered into by an Owner with the Commission providing for such Owner to participate in the redevelopment of property within the Project Area in accordance with the provisions of the Redevelopment Plan and these rules.
- (7) "Project Area" means the area described in the Legal Description of the "Project Area Boundaries" (Attachment No. 1 of the Redevelopment Plan and shown on the "Project Area Map" (Attachment No. 2 of the Redevelopment Plan).
- (8) "Redevelopment Plan" means the Redevelopment Plan prepared for the Whiteside Redevelopment Project.
- (9) "Board of Commissioners" means the Board of Commissioners of the Community Development Commission of the County of Los Angeles.

III. [SECTION 300] OPPORTUNITIES FOR OWNER PARTICIPATION AND PREFERENCES TO BUSINESS OCCUPANTS TO REENTER IN BUSINESS WITHIN THE PROJECT AREA

A. [Section 301] Opportunities for Owner Participation

Owners of real property within the Project Area shall be extended reasonable opportunities to participate in the redevelopment of property in the Project Area if such Owners agree to participate in the redevelopment in conformity with the Redevelopment Plan and these rules.

B. [Section 302] Preferences for Persons Engaged in Business in the Project Area

Business Occupants engaged in business in the Project Area shall be extended reasonable preferences to re-enter in business within the Project Area if they otherwise meet the requirements prescribed by the Redevelopment Plan and these rules.

IV. [SECTION 400] METHODS OF PARTICIPATION, AND LIMITATIONS THEREON

A. [Section 401] Methods of Participation

Participation methods include remaining in substantially the same location either by retaining all or portions of the property, or by retaining all or portions of the property and purchasing adjacent property from the Commission, or joining with another person or entity for the rehabilitation or development of the Owner's property and, if appropriate, other property, or submitting to the Commission for its consideration another method of participation proposal pursuant to these rules. An Owner who participates in the same location may be required to rehabilitate or demolish all or part of his/her existing buildings, or the Commission may acquire the buildings only and then remove or demolish the buildings. Participation methods also include the Commission buying land and improvements at fair market value from Owners and offering other parcels for purchase and rehabilitation or development by such Owners, or offering an opportunity for such Owners to rehabilitate or develop property jointly with other persons or entities.

B. [Section 402] Limitations on Participation Opportunities

Participation opportunities shall necessarily be subject to and limited by factors such as the following:

- (1) The elimination and changing of some land uses;
- (2) The construction, realignment, abandonment, widening, opening and/or other alteration or elimination of public rights-of-way;
- (3) The removal, relocation, and/or installation of public utilities and public facilities;
- (4) The ability of potential Participants to finance the proposed acquisition, development or rehabilitation in accordance with the Redevelopment Plan;
- (5) The ability and experience of potential Participants to undertake and complete the proposed rehabilitation or development;
- (6) Any reduction in the total number of individual parcels in the Project Area;
- (7) The construction or expansion of public improvements and facilities, and the necessity to assemble areas for such;

- (8) Any change in orientation and character of the Project Area;
- (9) The necessity to assemble areas for public and/or private development;
- (10) The requirements of the Redevelopment Plan and applicable rules, regulations, and ordinances of the County of Los Angeles;
- (11) Any design guide adopted by the Commission pursuant to the Redevelopment Plan; and
- (12) The feasibility of the potential Participant's proposal.

C. [Section 403] Conflicts Between Potential Participants

If conflicts develop between the desires of potential Participants for particular sites or land uses, the Commission is, subject to the limitation factors in Section 402 above, authorized to establish reasonable priorities and preferences among the potential Participants and to determine a solution by consideration of such factors as:

- (1) A participant's length of occupancy in the Project Area;
- (2) Accommodation of as many potential Participants as possible;
- (3) Ability to perform;
- (4) Similar land use to similar land use; and
- (5) Conformity with intent and purpose of the Redevelopment Plan and these rules.

Participation to the extent feasible shall be available for two or more persons, firms or institutions to join together in partnerships, corporations, or other joint entities.

V. [SECTION 500] CONFORMING OWNERS

The Commission may, in its sole discretion, determine that certain real properties within the Project Area presently meet the requirements of the Redevelopment Plan, and the Owners of such property will be permitted to remain as conforming Owners without an Owner Participation Agreement with the Commission, provided such Owners continue to operate, use and maintain the real property within the requirements of the Redevelopment Plan.

In the event that any of the conforming Owners desire to (1) construct any additional improvements or substantially alter or modify existing structures on any of the real property described above as conforming, or (2) acquire additional property within the Project Area, then, in such event such conforming Owners may be required by the Commission to enter into an Owner Participation Agreement with the Commission.

VI. [SECTION 600] METHODS FOR EXTENDING REENTRY PREFERENCES, AND LIMITATIONS THEREON

A. [Section 601] Methods for Extending Reentry Preferences

Whenever a Business Occupant will be displaced by Commission action from the Project Area, if any, the Commission will, prior to such displacement, determine: 1) whether such Business Occupant desires to relocate directly to another location within the Project Area, or 2) if suitable relocation accommodations within the Project Area are not available prior to displacement, whether such Business

Occupant would desire to re-enter in business within the Project Area at a later date should suitable accommodations become available. For those Business Occupants who desire to relocate directly to another Project Area location, the Commission will make reasonable efforts to assist such Business Occupants to find accommodations at locations and rents suitable to their needs. A record of the Business Occupants who cannot be or do not want to be directly relocated within the Project Area, but who have stated that they desire to re-enter into business in the Project Area whenever suitable locations and rents are available, will be maintained by the Commission. The Commission will make reasonable efforts to assist such Business Occupants to find reentry accommodations at locations and rents suitable to their needs.

In order to implement the operation of this Section 601, the Commission will provide in all Participation Agreements, disposition and development agreements, and other agreements, as applicable, that in the renting or leasing of premises rehabilitated or developed pursuant to such agreements the Participant or developer will give reasonable preferences (over other potential tenants or lessees) to Business Occupants who will be or who have been displaced from their places of business to lease or rent premises within the newly rehabilitated or developed facilities.

B. [Section 602] Limitations on the Extension of Preferences

Reentry preferences shall necessarily be subject to and limited by factors such as the following:

- (1) The extent to which suitable relocation or reentry accommodations exist or are rehabilitated or developed within the Project Area;
- (2) The extent to which suitable relocation or re-entry accommodations are available to displaced Business Occupants within an acceptable time period and at rents and other terms that are acceptable to such displaced Business Occupants, and within their financial means; and
- (3) The requirements of the Redevelopment Plan or any design guide adopted by the Commission pursuant to the Redevelopment Plan.

C. [Section 603] Conflicts Between Business Occupants Seeking Similar Preferences

If conflicts develop between Business Occupants who seek similar preferences (e.g., two or more occupants who desire to relocate directly to or to re-enter in business at the same premises), the Commission is, subject to the limitation factors in Section 602 above, authorized to establish reasonable priorities and preferences among such occupants and to determine a solution by consideration of such factors as:

- (1) Length of time in the Project Area;
- (2) Accommodation of as many Business Occupants as possible;
- (3) Appropriateness of the type of business within the proposed premises and/or at the proposed location;
- (4) The feasibility of business success; and
- (5) Conformity with the intent and purpose of the Redevelopment Plan and these rules.

VII. [SECTION 700] PARTICIPATION PROCEDURES

A. [Section 701] Notice and Statement of Interest

Prior to the Board of Commissioners approving any Participation Agreements, disposition and development agreements, exclusive negotiation agreements, or taking other actions which may involve the acquisition of real property in the Project Area, the Commission shall notify Owners of property which may be acquired and call upon each owner to submit a Statement of Interest in Participating ("Statement") in the proposed development or in otherwise participating in the redevelopment of the Project Area.

The Commission shall deliver to each Owner of real property, which may be acquired, a Statement of Interest in Participating form at least forty-five (45) days prior to considering any of the actions requiring acquisition of real property. Each owner desiring to submit a Statement of Interest in Participating must complete and submit such Statement to the Commission within thirty (30) days of receipt. Such Statement shall include information requested by the Commission and shall be in the form requested by the Commission.

Any Owner may also submit such a Statement at any time before such notification.

The Commission shall consider such statements as are submitted on time and shall seek to develop reasonable participation for each owner submitting such a Statement whether to stay in place or to move to another location. The Commission may in its sole discretion determine that a participation proposal is not feasible or in the best interest of the Project or the community, or is otherwise limited by one or more of the criteria set forth in Section 402 hereof. In such event, the Commission may select a developer from among prospective participants submitting Statements of Interest in Participating and others invited to submit proposals. The Commission also has the option to select none of the proposals, and, if deemed desirable, to solicit new participation or development proposals.

B. [Section 702] Participation Agreements

1. [Section 703] General

Public and private Owners wishing to develop or improve their properties within the Project Area may be required, as a condition to Commission approval of such development, to enter into a binding, written Participation Agreement with the Commission if the Commission determines it is necessary to impose upon such property any of the standards, restrictions and controls of the Redevelopment Plan or of any design guide adopted by the Commission pursuant to the Redevelopment Plan.

2. [Section 704] Contents

A Participation Agreement shall obligate the Owner, and the Owner's heirs, successors and assignees to acquire, rehabilitate, develop and use the property, as may be applicable, in conformance with the Redevelopment Plan and/or to be subject to such other provisions and conditions of the Redevelopment Plan as the Commission may require for the period of time that the Redevelopment Plan is in force and effect, excepting those provisions related to non-discrimination and non-segregation which shall run in perpetuity.

Each Participation Agreement will contain such terms and conditions and will require the potential Participant to join in the recordation of such documents as the Commission may require in order to insure the property will be acquired, rehabilitated, developed and used in accord with the Redevelopment Plan and the agreement. Participation Agreements will be effective only if approved by a majority vote of the members of the Board of Commissioners.

3. [Section 705] Approval of Agreements

All Participation Agreements must be approved by the Board of Commissioners before they are effective.

IX. [SECTION 800] AMENDMENT OF RULES

The Board of Commissioners may amend these rules at any regular meeting or duly called special meeting held after their adoption, but only after notice to the public. The text of the proposed change shall be furnished along with the notice of the meeting. Such notice shall be delivered at least fourteen (14) days before the date of the meeting at which the proposed amendment will be considered. The method of notice to the public is at the discretion of the Commission.

No such amendment shall retroactively impair the rights of any parties who have executed Participation Agreements with the Commission in reliance upon these rules as presently constituted.

COUNTY OF LOS ANGELES COMMUNITY DEVELOPMENT COMMISSION
STATEMENT OF INTEREST IN PARTICIPATING

I hereby express my interest in participating in the Whiteside Redevelopment Project and submit the following information:

1. Name: _____ Daytime Telephone: _____
2. Home Address: _____
3. My present involvement in the Project Area is: (check a or b)
- a) ☐ I now own property in the Project:
- b) ☐ I now lease property in the Project:
- Explain: (use additional sheets if necessary) _____
- _____
4. Address of Business: _____
- _____
5. Name of Business(es) located on my property, if any; _____
6. I ☐ own ☐ do not own business(es) located on my property (check one)
7. If you do not own the business(es) located on your property, please list the name(s), address(s) and telephone number(s) of the owner(s) on a separate sheet
8. If I participate: (check a, b or c)
- a) ☐ I would like to continue at the same location
- b) ☐ I would like to change my present location
- c) ☐ I would like to acquire real property for expansion (indicate approximate requirements; use additional sheets if necessary) _____
- _____

REMARKS: (use additional sheets if necessary) _____

I understand that submission of this Statement of Interest in Participating form does not obligate me to participate in the Whiteside Redevelopment Project.

Signed _____ Date _____

[illegible]

Prepared by: Keyser Marston Associates, Inc.
Filename: Figure 1 - ProjectArea Bdry.ai; 07/05/05; cb